World Bank Assistance

*297. SHRI KARNENDU BHATTACHARJEE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have requested the World Bank to step up its assistance for India; and

(b) if so, what are the areas where the World Bank is expected to extend its assistance for development?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The Country Strategy of the World Bank drawn out in consultation with the Government of India envisages an upscaling of the Bank's lending through International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA) credits to about US$ 3 billion per annum over the four years (July 2004-June 2008).

(b) The Bank lending would be utilized for sectors mutually agreed between the Government and the World Bank for Country Strategy (July 2004-June 2008) with focus on infrastructure, human development and rural livelihoods.

Merger of Banks and Insurance Companies

*298. SHRI AMAR SINGH:
SHRI ABU ASIM AZMI.

Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to merge all the public sector banks into five to six major banks;

(b) whether the public sector insurance companies are also likely to be merged into one or two major companies;

(c) if so, what are the details thereof; and

(d) what is the rationale behind this merger ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) The initiatives for consolidation/merger has to come from the management of the banks and Insurance Companies themselves. No directive on consolidation has been issued by the Government.